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Report of the Secretary-General on the prevention of corrupt practices and illegal transfer of funds*

Summary

This report has been prepared by UNCTAD in response to the requests made by the General Assembly in resolutions 53/176 and 54/205. It contains the responses provided by individual countries, international organizations, groups of countries and non-governmental organizations regarding measures adopted to give effect to General Assembly resolutions aimed at the prevention of corrupt practices in international commercial transactions and the illegal transfer of funds.

* This report was submitted on 29 August 2000, after expiration of the deadline for submission of reports to the General Assembly. The reasons for the delay were, first, that it was thought appropriate to postpone the preparation of the report until after the tenth session of the United Nations Conference on Trade and Development (12-19 February 2000) so as to take into consideration any implications of the outcome of the Conference. Thereafter, there was also a need to wait for replies from Governments, international organizations and non-governmental organizations for the content of the report. Having received very few responses by the original deadline of 8 June 2000 suggested by UNCTAD, a reminder was sent and the deadline was extended to 31 July 2000. Thus the report had to be prepared during the month of August.

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I. Introduction

1. At its fifty-third session, the General Assembly adopted resolution 53/176, entitled "Action against corruption and bribery in international commercial transactions", in which it, inter alia, called upon Member States to take all possible measures to further the implementation of the United Nations Declaration against Corruption and Bribery in International Commercial Transactions (resolution 51/191, annex) and relevant international declarations and to ratify, where appropriate, existing instruments against corruption. It requested the Secretary-General, in close consultation with the United Nations Conference on Trade and Development (UNCTAD), to report to it at its fifty-fifth session on measures taken by Member States and competent international and regional organizations, non-governmental organizations and the private sector to implement the resolution.

2. At its fifty-fourth session, the General Assembly adopted resolution 54/205, entitled "Prevention of corrupt practices and illegal transfer of funds", in which it, inter alia, called for further international and national measures to combat corrupt practices and bribery in international transactions and for international cooperation in support of those measures. It also called for increased international cooperation, inter alia, through the United Nations system, in devising ways and means of preventing and addressing illegal transfers, as well as in repatriating illegally transferred funds to their countries of origin, and called upon all countries and entities concerned to cooperate in that regard. In addition, the General Assembly requested the international community to support the efforts of all countries aimed at strengthening institutional capacity for preventing corruption, bribery, money-laundering and the illegal transfer of funds. Finally, the Assembly requested the Secretary-General, in consultation with Member States and relevant bodies of the United Nations system, to include in the report called for in its resolution 53/176, to be submitted to it at its fifty-fifth session, information on progress in the implementation of the resolution and recommendations, inter alia, with regard to repatriating illegally transferred funds to their countries of origin.

3. The present report has been prepared in response to these requests from the General Assembly. It contains information provided by Member States, international organizations and non-governmental organizations, in response to a note verbale sent by the Secretary-General of UNCTAD to States members of UNCTAD and international organizations and non-governmental organizations having status with UNCTAD, on measures they had undertaken to implement resolutions 53/176 and 54/205. The body of the present report consists of unofficial translations of the verbatim responses received by UNCTAD. Given length limitations, in most cases, only the most relevant excerpts have been reproduced. The Secretariat can make available the full text of the original submissions, upon request.

The report is divided into three sections: section II contains the measures adopted by individual countries; section III reproduces the actions adopted by international organizations and groups of States; and section IV covers the actions undertaken by non-governmental organizations.

II. Measures adopted by countries

Albania

... Regarding civil service reform, special attention has been paid to the completion of the legal framework with the necessary secondary legislation pursuant to Law No. 8549, of 11 November 1999, "on the status of the Civil Service". Some draft decisions have been prepared for the implementation of this law ...

... The Ministry of Justice presented draft laws for the ratification of several European Conventions (the Criminal Law Convention on Corruption; the Convention on Laundering, Search, Seizure and Confiscation of the Proceeds of Crime; ...) to the Council of Ministers for review. They were subsequently ratified on 13 June 2000. ...

... The Ministry of Public Order prepared a draft law to approve the Convention against Drug Trafficking and has presented it to the Government for approval.

... Albania, in collaboration with the General Directorate of Customs, has been implementing a strategy of modernizing the customs service through computerization. ...

Work is ongoing for the review and organization of the structure of the existing internal control unit. Regarding the strengthening of personnel management for the recruitment of customs staff, all the defined procedures set out by the new Customs Code have been fulfilled. ...

The number of registered taxpayers has increased since last year. ... The instruction for the Law on Tax Procedures has been prepared and sent for publication in the Official Gazette.

As regards promoting transparency and integrity in business operations, ... a draft on the amendment to Law No. 7971 of 26 July 1995, on public procurement, has been prepared ...

Pursuant to Decision No. 621 of 25 September 1998, the Committee for Consulting and Transparency has been managing the privatization process according to the established timetable.

... The High State Control (Supreme Audit Institute), in collaboration with the Parliamentary Commission of Economy, Finance and Privatization, has prepared draft amendments of the Organic Law of the High State Control, in order to adapt it to the Constitution and to contemporary standards of external auditing. This will help to strengthen the State Control's role in investigating financial crime and the fraudulent misuse of public funds and also improve the quality of its auditing. The draft is pending approval by Parliament. ...

Andorra

... On 27 November 1997, a qualified law on modification of the criminal code was adopted ... to penalize any activity related to the financial system made by bankers or others that act illegally within the system, using privileged information or other forms, aiming at hiding money that comes from drugs, arm trafficking, terrorism, or other illegal activities.

On 14 January 1999, a qualified law on modification of articles 105 and 114 of the Criminal Code was approved by Parliament. The change typifies new forms of behaviour related to bribery, which was already typified by the Criminal Code of 13 July 1990, such as the use by a public official of privileged information in order to obtain economic benefit or the use of influence over a public official to obtain advantage of any kind. Article 114 makes reference to cases of bribery of judges.

At present, the Government of Andorra is studying the possibility of signing the Criminal Law Convention on Corruption of 27 January 1999 of the Council of Europe.

... On 11 May 1995, the Parliament passed a law on the protection of banking secrecy and the prevention of money-laundering, which entered into force on 24 May 1995.

On 7 May 1999, the Minister of Foreign Affairs ... signed the Convention on Laundering, Search, Seizure and Confiscation of the Proceeds of Crime, which was ratified by Parliament on 22 April 1999. The instrument of ratification was deposited on 28 July 1999.

Bahamas

... The Government of the Bahamas has established the following series of measures designed to counter money-laundering activities:

(a) In 1983, the Central Bank of the Bahamas prohibited banks from accepting cash deposits in excess of US$ 5,000, or the equivalent. The Central Bank regularly monitors the flow of United States currency into the banking system;

(b) In 1985, the Central Bank supported and endorsed the Association of International Banks and Trust Companies Code of Conduct for its members;

(c) In 1987, the Bahamas enacted tough legislation against drug trafficking offences under the Trading and Forfeiture of Proceeds of Drug Trafficking Act;

(d) The Bahamas signed a Mutual Legal Assistance Treaty on criminal matters with the United States in 1987. Similar treaties were signed with the United Kingdom of Great Britain and Northern Ireland and Canada in 1988 and 1990, respectively. The procedures are available to other countries by letters rogatory;

(e) The Bahamas was the first country to ratify the 1988 United Nations Convention on the Illicit Traffic in Narcotic Drugs and Psychotic Substances;

(f) The Bahamas is a member of the Caribbean Financial Action Task Force and supports the work of the Financial Action Task Force (FATF). The Bahamas endorsed the FATF 40 recommendations in November 1992;

(g) In 1994, unauthorized use of all drugs listed under the Single Convention on Narcotic Drugs of 1961 and the Psychotropic Substances Convention of 1971 was made illegal in the Bahamas;

(h) In April 1994, the Central Bank issued guidance notes on money-laundering to the entire banking community;

(i) In 1996, the Money Laundering (Proceeds of Crime) Act and relevant regulations were enacted which criminalized money-laundering related both to proceeds of serious crimes and drug trafficking;

(j) In 1996, the Central Bank of the Bahamas issued revised guidance notes to the financial community, encompassing provisions of the Money Laundering Act;

(k) In 1996, enhanced training for all branches of the regulatory agencies commenced. Amendments were made to the International Business Act, allowing lawyers, public accountants (under the Public Accountants Act), licensed banks and trust companies and approved management companies only to act as registered agents;

(l) In 1997, the Bahamas underwent a mutual peer evaluation of its anti-money-laundering laws, procedures and systems;

(m) In September 1997, the Securities Commission issued a comprehensive set of anti-money-laundering guidance notes to the securities industry;

(n) The Bahamas maintains memberships in such international bodies as the Inter-American Drug Abuse Central Commission, the Caribbean Financial Action Task Force, the Offshore Bank Supervisors Group etc.;

(o) The bribery of public officials has always been an offence under the Penal Code of the Bahamas and would be applicable, with respect, to requested official facilitation of any illegal activity. Successful enforcement of bribery laws has extended to the parliamentary level.

Bahrain

The Bahrain Monetary Agency has taken a number of measures against money-laundering in the financial sector by publishing the following circulars to banking and financial institutions in Bahrain:

(a) Circular No. OG/308/89, dated 14 October 1989, to all banking institutions concerning implementation of the Basel Committee principles aimed at preventing the use of the banking sector in money-laundering operations;

(b) Circular No. ODG/149/93, dated 8 August 1993, to commercial banking institutions and foreign exchange companies, concerning control of monetary transactions involving 10,000 Bahraini dinars or more and the submission of reports of unusual transactions to the Agency;

(c) Circular No. BC/16/97, dated 28 October 1997, to all licensed institutions concerning the need for an internal mechanism to oversee all suspicious operations and the submission of reports on such operations to the Agency;

(d) Circular No. BC/17/97, dated 10 November 1997, to all licensed institutions concerning the implementation of the 40 recommendations of the Financial Committee Against Money Laundering.

... the provisions of the Criminal Code, promulgated as Act No. 15 of 1976 and the amendments thereto, chapter II ... contains a section on bribery (articles 186-193). ...

Belarus

Under the 1999-2000 national programme to strengthen efforts to combat crime, approved by Presidential Decree No. 264, of 11 May 1999, coordinated interdepartmental preventive measures and special operations are being carried out to combat crimes involving graft which significantly jeopardize the interests of the State and its citizens.

The Act Concerning Measures to Combat Organized Crime and Corruption, of 26 June 1997, authorizes members of special anti-crime and corruption units ... to investigate the financial and economic activities and the financial and property status not only of that individual but of other physical and legal persons as well.

Article 235 of the new Criminal Code also contains a provision which makes it a crime to launder property. An important measure aimed at preventing corruption and bribery in international commercial transactions and the illegal transfer of funds was the signing in Moscow on 12 February 1999 of the Agreement between the Governments of Belarus and the Russian Federation on Cooperation and Mutual Assistance in Combating Illicit Financial Operations.

The system under which authorized banks in Belarus can establish correspondent relations with respect to the opening of accounts in national and offshore banks, approved by decision 15.3 of the Board of Directors of the National Bank of Belarus on 28 August 1999, continues to undergo improvement. By making the requirements for opening accounts in offshore banks and in the name of such banks more stringent, it has caused their number to shrink to 14 as of June 2000, from 113 on 1 October 1999. In addition, taking into account Addendum No. 1 (approved by Decision 11.5G of the Board of Directors of the National Bank of Belarus of 9 July 1999) of Instruction No. 2 of the Instructions for International Payments in the Form of Bank Transfers of 6 January 1998, banks must now monitor compliance with the law when entering funds for clients and making payments on the instructions of clients.

Belgium

The Law of 10 February 1999 concerning the fight against corruption introduced a number of profound modifications in the Belgian criminal law system. ... Belgian legislation has been modernized and adapted to international standards in this area. It takes into account the various international instruments concluded in the context of the European Union, the Council of Europe and the Organization for Economic Cooperation and Development (OECD).

The OECD Convention on Combating Bribery of Foreign Officials in International Business Transactions ... was ratified by Belgium on 17 July 1999. In October 1999 Belgium was evaluated by the Working Group on Corruption, created by OECD.

... The following agreements of the European Union will be ratified in a single procedure:

(a) Agreement of 26 July 1995 concerning the Protection of Financial Interests of the European Communities;

(b) Protocol of 27 September 1996 to the Agreement concerning the Protection of Financial Interests of the European Communities;

(c) Second Protocol of 19 June 1997 to the same Agreement;

(d) Protocol of 29 November 1996 concerning the Prejudicial Statement by the Court of Justice of the European Communities to the said Agreement;

(e) Agreement of 26 May 1997 on the Fight Against Corruption Involving Officials of the European Communities or of the Countries Members of the European Union.

The draft law of ratification of these instruments is currently being dealt with by the Ministry of Justice.

The Criminal Law Convention on Corruption of the Council of Europe will be ratified shortly ... In the meanwhile Belgium has joined the Group of States against Corruption, in the Council of Europe, which follows the evaluation of measures adopted by different Member States pursuant to the Convention. The ratification of these instruments, added to the new law of 10 February 1999, provides Belgium with legislation that covers the totality of the fight against corruption.

According to article 2, chapter 3, of the Law of 11 January 1993 on the Prevention of the Utilization of the Financial System for the Purpose of Money Laundering, a preventive mechanism anti-money-laundering is applicable to the laundering of money from corruption of national and international public officials. ...

... After 1998, only the organs especially authorized by law and subject to the reglementation anti-laundering can carry out transfer of funds. ...

Belize

National measures

... The Prevention of Corruption in Public Life Act No. 24 of 1994 of the laws of Belize (1 January 1995) establishes requirements for financial declarations, rules of conduct for public officials, and

an Integrity Commission for the enforcement of those provisions. ...

The Prevention of Corruption in Public Life (Amendment of Forms) Regulations, Statutory Instrument No. 38 of 1996 (1 January 1996). ...

The Money Laundering (Prevention) Act No. 12 of 1996 of the laws of Belize (27 July 1996). ...

Bilateral measures

Extradition Treaty between the Government of Belize and the Government of the United Mexican States, signed on 28 August 1988 and entered into force on 25 May 1989. ...

Extradition Treaty between the Government of Belize and the Government of the United States of America, signed on 30 March 2000 (not yet in force). ...

Bulgaria

... The National Anti-Corruption Strategy, adopted on 19 July 1998 by the Bulgarian Government, establishes the fight against corruption as a key element of the Government's policy. ... Since 1998 Bulgaria has taken a number of measures pursuant to the Strategy ...

... Bulgaria is a party to the [OECD] Convention [on Combating Bribery of Foreign Officials in International Business Transactions]. It is also a member of the OECD Working Group on Corruption and International Commercial Transactions. In implementation of the international recommendations, the Bulgarian Parliament enacted on 8 June 2000 the Amendment to the Penal Code (SG No. 51/23 June 2000). ... Additionally, on 5 May 2000 the Government submitted to Parliament a draft amendment to the Administrative Violations and Sanctions Act ...

... Bulgaria actively participated in the process of elaborating the Criminal Convention on Corruption by the Council of Europe and signed the Convention on the day of its inauguration 27 January 1999. The Convention has not been ratified yet. In order to align its domestic legislation with the standards of the Convention, Bulgaria has amended its Penal Code. ... Full compatibility with the standards of the Criminal Convention on Corruption will be achieved by the adoption of a new penal code.

... On 2 November 1999 Bulgaria signed the Council of Europe Civil Law Convention on Corruption. On 10 May 2000 the Bulgarian Parliament passed the ratification Act of the Convention (SG No. 42/23 May 2000).

On 26 April 2000 the Bulgarian Parliament adopted the Law on Giving Publicity to the Property of High-Level Government Officials (SG No. 38/09 May 2000). ...

The Bulgarian Government issued regulations on the award of public procurement orders below the thresholds defined in article 7 of the Public Procurement Act (SG No. 36/02 May 2000). ...

A separate section, established in the National Police Service for Combating Organized Crime, was authorized to investigate corruption-based connections between members of the public and local administrations and organized crime groups.

... Bulgaria was among the first countries to ratify the Convention [on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime] ... on 1 April 1993. In 1997, money-laundering was criminalized by the Penal Code (article 253). In 1998 a new Measures against Money Laundering Act ... stipulated the creation of the Financial Intelligence Bureau (FIB) ... On 7 July 2000 the Bulgarian Parliament passed ... a new Amendment to the same Act, which will expand the powers of the FIB ...

In spite of its liberalized currency regime, Bulgaria has introduced a number of regulations to control the transfer of funds, such as the Currency Act, effective 1 January 2000; Ministry of Finance Regulations No. 16, on the requirements of money exchange bureaux; Ministry of Finance Regulations No. 30, on the export and import of national and foreign currency in cash, precious metals and gemstones; Bulgarian National Bank Regulations No. 28, on transborder transfers of payments; ...

Cameroon

... The measures taken by the Government of Cameroon in the field of the fight against corruption are indicated below ... Measures taken in application of resolutions 53/176 and 54/205 are still under study and will be incorporated into the pertinent documents.

(a) Order No. 001/PM of 4 January 2000, concerning the creation of an Observatory for the fight against corruption;

(b) Order No. 032/PM of 24 May 2000, modifying certain provisions of Decree No. 001/PM;

(c) Order No. 033/PM of 25 May 2000, nominating the President of the Observatory for the fight against corruption;

(d) Order No. 034/PM of 25 May 2000, noting the designation of members of the Observatory for the fight against corruption;

(e) Decree No. 2000/156 of 30 June 2000, modifying and completing certain provisions of Decree 95/102 of 9 June 1995 concerning attributions, organization and functioning of public markets commissions;

(f) Circular No. 006/CAB/PM of 4 March 2000, concerning the application of the regulations of public markets;

(g) Headquarters Agreement for the establishment of an Agency of Transparency International in Cameroon;

(h) Report on the work of the ad hoc committee on the fight against corruption at its fourth session; actions prescribed by the Head of State on matters concerning the Ministry of Urban Planning and Habitat ..., the Ministry of Public Administration and Administrative Reform ..., the Ministry of Public Health ... the Ministry of Mines, Water and Energy.

Canada

The Corruption of Foreign Officials Act entered into force on 4 February 1999. It criminalizes bribing a foreign public official as well as possessing and laundering property and proceeds obtained or derived from such bribery. ... Those proceeds of crime can be seized, restrained or forfeited. Policy may use a wiretap and other electronic surveillance to gather evidence in the investigation of these offences.

The Federal Government introduced Bill C-22, the Proceeds of Crime (Money Laundering) Act, in the House of Commons on 15 December 1999, where it is before the Senate. This Bill contains legislative proposals to ... establish the Financial Transactions and Reports Analysis Centre of Canada. ...

Internationally, Canada has actively participated in discussions and negotiations, in various international forums, including the United Nations, the Organization of American States, OECD, the Council of Europe, the Commonwealth and the G-8, about ways to combat corruption. Canada will continue to work for greater cooperation in combating international crime and corruption through its 2000-2002 membership of the Commission on Crime Prevention and Criminal Justice.

On 17 December 1998 Canada ratified the OECD Convention on Combating Bribery of Foreign Officials in International Business Transactions. By becoming the fifth country to ratify the Convention (out of the 10 countries with the largest share of OECD exports and representing at least sixty per cent of the combined total exports of those 10 countries), Canada was able to trigger the entry into force of the Convention 60 days after the deposit of its instrument of ratification. ... Canada signed the Inter-American Convention Against Corruption on 7 June 1999 and ratified the Convention on 6 June 2000. Canada is also involved in the negotiations of the United Nations Organized Crime Convention and would be supportive of efforts to negotiate a global convention against corruption.

China

The Criminal Code of China and the Law against Unfair Competition, among others, have provided for measures to "counter corruption and bribery in international trade" and to "prevent corrupt behaviour and the illegal transfer of funds".

Administrative rules and regulations currently in effect that have been drafted by this Ministry and proclaimed by the State Council, ... include the following:

(a) Provisional Rules on Administrative Action against Graft and Acceptance of Bribery by State Administration Personnel (proclaimed by the State Council on 13 September 1988);

(b) Provisional Rules on Administrative or Disciplinary Action against Foreign Exchange Fraud, Arbitrage, Evasive Outflow, Illegal Trading of Foreign Currencies and Other Violations of Foreign Currency Controls (ratified by the State Council ... on 25 January 1999);

(c) Rules on Professional Administration Fees and Penalties and Seizures for the Implementation of Separate Revenue-and-Expenditure Management (jointly proclaimed ... on 14 June 1999);

(d) Provisional Rules for the Implementation of Administrative Action against Graft and Acceptance of Bribery by State Administrative Personnel (proclaimed by the Inspectorate on 8 September 1989).

Colombia

... The Criminal Code of Colombia covers many types of criminal behaviour of public officials, most of which are included in Title III, on Crimes against the Public Administration. ... Recently, the Code was modified to add the criminal act of transnational bribery. ... In this manner, Colombia complied with the commitment made when it ratified the Inter-American Convention on Corruption. It is worth noting that the penalty imposed for transnational bribery is stronger than that imposed for bribery of national public officials (to offer or give a bribe). ...

On 6 June 1995, Colombia ratified and promulgated the Law 190 of 1995, ... adopting provisions aimed at eradicating corruption in public administration. This is known as the "Anticorruption Statute", which is part of the integral strategy of the national Government to combat corruption effectively.

In order to establish comparative benchmarks in public procurement, the Decree 1477 of 5 September 1995 was issued, providing regulations under the Law 190 concerning publication of procurement contracts in the *Official Bulletin of Public Procurement*. Decree 2232 of 1995 ... provided the regulations under the Law 190 regarding the disclosure of assets and information on economic activity, as well as the system of complaints. Law 190 ... strengthened the preventive and control measures contemplated in the General Statute of the Financial System, expanding them to other economic agents ...

Other measures adopted under the Law 190, were the obligation by the Superintendence of Banks and Stock Exchanges to assign a special department to deal exclusively with the control of the application of the measures referred to in the Statute of the Financial System. ...

The various State entities involved ... have issued a number of special measures including:

(a) Establishment of control measures on the import of goods, such as revision of import registration (Resolution 10 of 1996 of the High Council of External Commerce);

(b) Creation of the Integrated System for the Prevention of Money Laundering, regulating the instruments to detect suspicious operations and report them. ... It also calls for the adoption of codes of conduct, procedural manuals and auditing on the mechanisms of control and conservation of documents (Circular 061 of 1996 of the Superintendence of Banking).

To achieve better results, the Government created the Commission on Interinstitutional Coordination for the Control of Money Laundering by Decree 950 of 1995, with private sector participation. Decree 754 of 1996 created the Interinstitutional Committee to Combat Subversive Finances.

... Act No. 333 of 1996, on Termination of Control, adjusts the legal system to the requirements of the Vienna Convention of 1988 and other international instruments regarding the application of measures and declaration of termination of control over assets linked to a criminal act.

Act No. 365 of 1997 establishes norms aimed at combating organized crime and introduces important improvements in the fight against money-laundering. Among them, the new title of the Criminal Code, called "Money Laundering", explicitly typifies criminal behaviour deriving from serious crimes such as the illicit enrichment, extortion, abduction for purposes of extortion, rebellion, or those related to the traffic of toxic substances or illicit drugs.

In the ambit of non-governmental international organizations, Colombia cooperates actively with Transparency International and with the International Chamber of Commerce through their national chapters represented by Transparency Colombia (TICOL) and the Chamber of Commerce of Santa Fe de Bogotá. The Government ... proposed, as an alternative, adherence to the world programme of "Transparency International — Islands of Integrity", in the National Development Plan.

Croatia

... The new criminal legislation (Criminal Code, Criminal Procedure Act) is in force in Croatia since 1 January 1998. It incorporates the provisions of the available international instruments in the field of fighting international organized crime and corruption. Somewhat earlier, on 1 November 1997, the Money Laundering Act entered into force. Pursuant to this Act, the Government of Croatia established the Office for the Prevention of Money Laundering within the Ministry of Finance ...

... Amendments to these [statutes] ... are under way in Croatia to incorporate the relevant provisions of the international instruments of the Council of Europe, the European Union and other international instruments in this field which Croatia has signed and ratified, or such whose signing or ratification is being prepared. ...

... Croatia has been actively participating in the work of the Ad Hoc Committee for Drafting a Convention against Transnational Organized Crime since its establishment. Croatia has also agreed to the implementation of 40 recommendations of the Financial Action Task Force on Money Laundering.

On 15 September 1999, Croatia signed the Council of Europe Criminal Law Convention on Corruption and its ratification is under way. When this Convention enters into force, Croatia will become a member of the GRECO countries. The signing of the Council of Europe Civil Law Convention is under preparation.

... The new Government of Croatia has published all its efforts in fighting corruption in its Action Plan, adopted by the Croatian Parliament on 9 February 2000. The Ministry of the Interior has established a department for fighting corruption that engages in the enforcement of anti-corruption legislation.

... The Ministry of the Interior participates in the implementation of the commitments that Croatia has undertaken by signing the Stability Pact for CEE with its Anticorruption Initiative ... and the Investment Charter of the Stability Pact ...

Democratic Republic of the Congo

At the first level, the role of the traditional organs — the customs, the frontier police and the Congo office of control — have been made effective with the establishment of a technical secretariat for strengthening institutional and human capacity and with the creation of the economic police and the Commission for the Repression of Economic Crimes. These organs play a preventive and dissuasive role and exercise the control that leads to the discovery of frauds by qualitative or quantitative non-conformity or by under- or over-invoicing which facilitate the illicit transfer of funds.

At a second level, there are the administrative and regulatory measures. National regulations require automatic license for importation or exportation of goods and services. The Government has published the list of products the importation of which is prohibited or subject to special authorization (commerce in arms, explosives and ammunitions, as well as in precious objects, artworks and coffee). The public administrators are subject to transparency and to questioning in the discharge of their duties, while the members of Government must declare their patrimony before undertaking their functions and after leaving office.

Denmark

In order, inter alia, to enable implementation of a number of legal instruments related to corruption and bribery, an amendment of the Danish Penal Code was effected by Act No. 228 of 4 April 2000. The relevant sections of the amendment entered into force on 1 May 2000 and concern the following legal instruments:

(a) The European Union Convention on the Fight against Corruption involving Officials of the European Communities or Officials of the Member States of the European Union, signed on 26 May 1998;

(b) The European Union Joint Action of 22 December 1998 concerning Bribery in the Private Sector;

(c) The OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions;

(d) The Council of Europe Criminal Law Convention on Corruption, of 27 January 1999, with the attached Statute of the Group of States Against Corruption (GRECO).

The adoption of the Bill will, inter alia, enable Denmark to ratify the Conventions mentioned above and become a member of GRECO. Ratification is in the process of being finalized ...

Ecuador

The Superintendence of Banks, in the context of its task of control of financial entities, has established that all financial entities must have a manual on prevention of money-laundering to allow them to identify unusual operations of their clients in national or international transactions above US$ 10,000 during a month. This norm is found in chapter II, subtitle IV, Title VIII of the Codification of Resolutions of the Superintendence of Banks and Bank Boards, and it is in accordance with the legal parameters of the Law No. 108 (Law on Narcotic and Psychotropic Substances). Regarding transfers between financial entities, transactions exceeding $100,000 must be reported. The Superintendence of Banks undertakes the control and supervision of these manuals and norms and verifies compliance.

In addition, the Superintendence of Banks is part of an International Commission that analyses and studies the problem and issues pertinent observations related to proposals for legal reform, with a view to the specialization of the control of the activities that are presumed illicit or at least irregular. An Inter-Institutional Committee within the Commission carries out field work and implements the various measures needed, with the participation of the State, trying to obviate the need for further analysis in initiating criminal causes.

There is interest in combating corruption, and there are workshops that devise ways to harmonize the norms and limit the scope of action of groups involved in these types of crimes that utilize different mechanisms with state-of-the-art technology, especially regarding financial illicit acts. The possibility of increasing the amounts to be controlled may be considered.

Estonia

... The topics [mentioned in General Assembly resolutions 53/176 and 54/205] are dealt with in the Money Laundering Prevention Act which entered into force on 1 July 1999.

... The aim of the Act is to prevent criminally acquired money or other assets from penetrating the financial system. Among other things, the Act ... establishes the Financial Intelligence Unit under the Ministry of Internal Affairs to manage and supervise credit and financial institutions ... In the future, the main assignments of the Financial Intelligence Unit should concern the analysis of suspicious money-laundering transactions. ...

... The second paragraph of the Money Laundering Prevention Act states that money-laundering is the conversion or transfer of, or the performance of legal acts with, property acquired as a direct result of an act punishable pursuant to criminal procedure, the purpose or consequence of which is the concealment of the actual owner or the illicit origin of the property. A violation of the Act brings forth a criminal and an administrative charge.

... In addition to internal legal acts ..., Estonia has also ratified the Convention of the European Council on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime, which establishes additional rules for preventing international money-laundering and illegal financial operations.

France

Fight against corruption at the national level

... The Central Service for the Prevention of Corruption (SCPC) was created ... with the task of preventing and detecting corruption. ... It analyses the mechanisms of corruption and fulfils a consultative role vis-à-vis the administration of justice and assistance to the administration of justice.

In 1999, economic and financial centres were put in place within the specialized jurisdictions, in order to deal more efficiently and rapidly with the complex matters relating to corruption and organized financial crimes. ...

Regarding the prevention of corruption and illegal transfer of funds, France plays an active role in the fight against money-laundering, especially in the Group on International Financial Action against Money Laundering (GAFI). ...

Fight against corruption at the international level

... In the context of the United Nations ..., the global programme on the fight against corruption, established in February 1999 by the Centre for the International Prevention of Crime, involves a research element and an element of technical cooperation. The meeting on corruption and its financial channels, organized in Paris on 31 March and 1 April 1999, has led to the definition of the first elements of a global strategy on the fight against corruption. Various provisions against corruption were introduced in the draft convention against transnational organized crime, during negotiations in Vienna ... proposed by France and the United States ... . The Commission for the Prevention of Crime and Criminal Justice at its ninth session (18-20 April 2000) adopted a resolution prepared by France, entitled "An effective international juridical instrument against corruption". ... It contemplates the elaboration of an international global juridical instrument against corruption ...

... The law authorizing the ratification of the [OECD] Convention [on Combating Bribery and Corruption of Foreign Public Officials in International Business Transactions] was approved on 25 May 1999 (Law No. 99-424 of 27 May 1999). ...

In the Council of Europe, the enlarged partial agreement establishing the Group of States Against Corruption (GRECO) entered into force on 1 May 1999. The Group is presided over by France. The Criminal Law Convention on Corruption, open for signature on 27 January 1999, has been signed by 31 States, including France. It has been complemented with a Civil Law Convention on Corruption, open for signature on 4 November 1999, and signed by 14 States, including France. A model code of conduct for public officials was adopted in May 2000.

Germany

... In the field of corruption and bribery in international commercial transactions Germany has ratified the OECD Convention on Combating Bribery of Foreign Officials in International Business Transactions. ... The Convention was transformed into German law on 10 September 1998, with the Law Against International Bribery ... In accordance with this law, the bribing of foreign national and international officials constitutes an offence equal to that of bribing German officials if it is committed with the intention of obtaining an advantage in international commerce.

The European Union's joint action of 22 December 1998 which aims at fighting corruption in the private sector in order to guarantee competition in the European Common Market is one more example of Germany's active support for international cooperation in this field. The Government is currently examining whether German legislation needs to be further adapted to this joint action.

Furthermore, the Council of Europe has agreed on two conventions promoting the international coordination of the struggle against corruption, one under criminal law (of 27 January 1999) and one under civil law (of 3 November 1999), which put particular emphasis on illegal practices in international commercial transactions. These two conventions are to be ratified by the German legislature during the current session.

In the field of prevention, a legal definition of duties may not be sufficient to avoid corruption in the public sector. What is also needed are internal regulations of the different administrations, which take into consideration their particular structures. In this context, Germany has obtained good results with the Federal Government's guideline against corruption in the federal administration, of 17 June 1998. It aims at defining sensitive fields in the administration and at reducing the risk of corruption by means of appropriate personnel measures, like additional supervision and frequent rotation.

Ghana

Regarding resolution 53/176, Ghana does not have a composite legislation on corruption and bribery in international commercial transactions. It is not a signatory to any international convention on action against corruption and bribery in international commercial transactions. In Ghana, however, the activities of the Special Fraud Office have great bearing on the issue. The institution, by law, has the mandate to conduct investigations into corrupt activities of businesses in Ghana and is vested with the power to prosecute business involved in corrupt practices.

With respect to resolution 54/206, Ghana has established legal institutions to combat corrupt practices and illegal transfer of funds including money-laundering. The activities of the Special Fraud Office have already been discussed. Another institution established by law to combat illegal transfer of funds in Ghana is the Drugs and Narcotics Control Board. Its activities involve not only combating trafficking in illegal drugs such as narcotics but also conducting investigations into money-laundering and taking the necessary action thereon. The Courts in Ghana, as established under the 1992 Constitution and under the Courts Act, have jurisdiction over cases involving fraudulent and corrupt activities or business in Ghana.

Greece

Greece has ... enacted a special criminal law, the Act Ratifying the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, through which the body of rules of the Convention has been integrated into the Greek legal system. The Act establishes the criminal offence of bribery of a foreign public official, criminalizes non-compliance with accounting regulations and establishes administrative penalties for enterprises. Greece has also broadened its money-laundering legislation in order to include the offence of bribery of foreign public officials.

As far as money-laundering and illegal transfer of funds, Greece has ratified and implemented the relevant Conventions of the United Nations (Vienna Convention) and of the Council of Europe (Strasbourg Convention) on the subject. It has also integrated into its law the relevant European Community legislation (Directive of 1991).

In both of these fields, Greece participates actively in all international forums as a member of the OECD Working Group on Bribery and Corruption in International Business Transactions, in the Financial Action Task Force on Money Laundering and in the Egmont Group, as well as in the preparatory legislative groups in the United Nations, the Council of Europe and the European Union.

Hungary

Hungary signed the [OECD] Convention [on Combating Bribery of Foreign Public Officials in International Business Transactions] on 17 December 1997 and ratified it on 29 November 1998.

With Act LXXXVII of 1998 Hungary adopted legislation necessary to implement the Convention in national law. A new title was incorporated into the Hungarian Criminal Code, "Offences against the purity of international public life". The new title contains the offences of "bribery in an international relationship". This legislation entered into force on 1 March 1999. The scope of the new offences is somewhat broader than that of the Convention, as passive bribery is also punishable. ...

As a member of the Council of Europe, Hungary signed the Criminal Law Convention on Corruption on 26 April 1999. Ratification is expected to take place in the first half of the year 2000. ... The Hungarian Criminal Code appropriately regulates the active and passive bribing of national public officials and the active corruption of foreign public servants. Hungary has joined the Council of Europe's Group of States Against Corruption (GRECO), and the Ministry of the Interior participates in its implementation with a staff of five officers.

... Hungary ratified the Convention on Laundering, Search, Seizure and Confiscation of the Proceeds of Crime, signed on 8 November 1990. The ratification documents were deposited on 2 March 1999, and the Convention will enter into force in respect of Hungary on 1 July 2000. Act CXX of 1999 on the modification of penal regulations ... which entered into force on 1 March 2000 ... has modified the definition of money-laundering, extending it to all the criminal activities prior to the actual offence of money-laundering.

Indonesia

... There are three basic steps the Government of Indonesia is trying to achieve in order to eliminate corruption ...

In the development of law, there are a number of regulations concerning good governance ... :

(a) Regulation No. 3 of 1971, "Elimination of Corruption Criminality";

(b) People's Consultative Assembly of the Republic of Indonesia Decision No. XI/MPR/1998, "Clean State Administration, Free from Collusion and Nepotism"

... The Government ... has taken several measures to enhance the States' performance in its efforts to form a clean government, including enhancement of transparency in government procurement. Several policies with the objective of implementation and follow-up on these tasks are:

(a) Presidential Decree No. 7 of 1998 (Government and State-Owned Companies in Development and/or Infrastructure Management);

(b) Presidential Decree No. 6 of 1995 (Supply Evaluation Team);

(c) Presidential Decree No. 8 of 1997 and Presidential Decree No. 24 of 1995 (amendment of Presidential Decree No. 16 of 1994 on Implementation of the National Budget);

(d) Letter of the Coordinating Minister of Development Supervision and Enhancement of Indonesian State Officials, No. 79/WK.WASPAN/6/98 of 11 June 1998 (Steps to eliminate corruption, collusion and nepotism from the national economy);

(e) Announcement letter of the Director General of the State Budget No. SE11/A/51/0194, of 26 January 1994 (Government Accounting System on the Implementation of the State Budget for 1994/1995).

In the development of legal institutions, the present Cabinet of National Unity ... has undergone a number of restructuring steps — e.g., the appointment of the post of Minister for Law and Regulations, to assist in the creation of an environment conducive to law enforcement in Indonesia. In May 2000, Indonesia established the Committee for the Elimination of Corruption, an independent anti-corruption committee to separate the investigation and indictment functions into two different institutions. Currently informal institutions, called "the Indonesian Corruption Watch (ICW)" and "the Indonesian Transparent Society (MPI)", and consisting of highly integrated people in the society, are expected to be important pressure groups with effective force in eliminating corruption. At the same time, the Government is trying to enhance its integrity and to strengthen the professionalism of the existing law enforcement institutions — the Office of the Attorney General, the Judiciary and the Policy Force.

The Government cooperates with international organizations — e.g., the World Bank and UNDP. The main objective of this cooperation is to assist the Government in implementing reforms with the goal of creating a clean and transparent government.

In law enforcement the Government is applying pressure on its high ranking government officials to report on their private assets prior to their terms of office ... The Government has started to bring corruption cases to court, previously a difficult practice.

Italy

... No special measures seem to have been taken in the Italian legal system to apply the recommendations contained in the resolutions of the United Nations ...

However, Italy has already at its disposal a range of internal measures aimed at fighting corruption and illegal transfer of funds, so that it can be confirmed that it adheres to international standards on the matter.

Japan

... On 10 April 1998, the Government of Japan formally submitted [the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions], along with its implementing legislation (amendments to the Unfair Competition Prevention Law) to the National Diet. The National Diet approved it on 22 May 1998. The implementing legislation was adopted on 28 September 1998. The instrument of acceptance was deposited on 13 October 1998. The implementing legislation entered into force, together with the Convention, on 15 February 1999. [It] prohibits anyone from giving, offering or promising any pecuniary or other advantage to a foreign public official in order to obtain or retain improper business advantages.

... In March 1998, the Government presented to its National Diet draft bills which introduced various

measures against organized crime, and they were approved on 12 August 1999.

Of particular relevance to "illegal transfer of funds" — i.e., money-laundering — is the Law Concerning Punishment of Organized Crime, Control of Crime Proceeds and Other Matters, which took effect on 1 February 2000. In addition to introducing severe penalties against organized crime, the law provides for the following measures in order to control the proceeds of crime:

(a) Extending predicate offences of money-laundering to include certain serious crimes other than drug offences;

(b) Confiscation and freezing of the proceeds of crimes or other property of corresponding value of proceeds;

(c) Requiring financial institutions to report suspicious transactions related to money-laundering to the competent authorities and the establishment of a financial intelligence unit to deal with such reports;

(d) Taking action in response to requests by foreign countries to freeze and confiscate the proceeds of certain serious crimes or other property of corresponding value of such proceeds.

Lao People's Democratic Republic

The Government ... accords great importance to General Assembly resolution 53/176 ... The Lao People's Democratic Republic has not taken any measure contrary to either the letter or the spirit of that resolution. A number of decrees from the Prime Minister have been elaborated and promulgated with a view to making more effective the fight against corruption and corrupt actions in the Lao People's Democratic Republic.

Lebanon

Legislation enacted prior to General Assembly resolutions 53/176 and 54/205

(a) The Criminal Code (which contains provisions concerning bribery, the use of influence, embezzlement and exploitation of public office);

(b) The Civil Service Board (responsible for civil service appointments, promotions, salaries and allowances, discipline and dismissals);

(c) The Public Board Discipline (which has full authority to dismiss or retire any official from the public service for acts incompatible with the duties of a public servant under a decree adopted by the Council of Ministers);

(d) The Central Inspection Board (responsible for overseeing all public departments and institutions and autonomous agencies and compliance by civil servants with the duties and responsibilities pertaining to their office);

(e) The Audit Board (an administrative court responsible for fiscal matters and overseeing public finance and funds deposited with the Treasury);

(f) The Public Accounts Act (establishes the conditions governing equipment and public works transactions through invitations for tenders, mutual consent or invoicing requirements);

(g) The Public Administration Act (specifies the powers and responsibilities of higher administrative officers);

(h) The Civil Service Act (establishes conditions of employment, the responsibilities and duties of civil servants and other matters relating to the civil service);

(i) The Act concerning the Office of the Principal Public Prosecutor for Financial Matters (prosecution of perpetrators of specific financial offences).

Legislation enacted after the adoption of the two General Assembly resolutions

(a) Amendment of the Unjust Enrichment Act;

(b) Amendment of the Protection of Cultural Property Act;

(c) Narcotics, Psychotropic Substances and Precursors Act.

Legislation to be enacted in the near future

(a) Amendment of the Patents Act;

(b) Amendment of the Public Accounts Act (as regards public invitations to tender).

... In addition, the Association of Lebanese Banks has concluded a precautionary agreement with its members to control the use of the banking sector for the laundering of funds from drug trafficking. By a decision adopted by the Bank of Lebanon, the agreement was made binding on all banking and quasi-banking institutions.

... Concerning the Ministry of Finance, three major measures have been adopted in order to prevent corruption in international commercial transactions and illegal transfer of funds. The legislative measure is Law No. 154, dated 27 December 1999, which gives a definition of the undue enrichment in the public administration. ... Two administrative measures ... the Ministry of Finance and the Customs Administration have embarked on a programme for the reform of customs procedures and improvement of services to its clients. ... The project NOOR ... aims at enabling traders and brokers to interact electronically from their own offices with Customs NAJM server. ...

A senior subcommittee composed of the Ministry of Finance, the Central Bank, the Banking Control Commission, and the Control Committee for anti-money-laundering activities of the Association of Banks has been created ... Its mission is to strengthen Lebanon's present regime for anti-money-laundering. ...

Liechtenstein

Liechtenstein law contains several provisions dealing with confiscation of criminal proceeds and the application of provisional measures. The Law of 21 March 1996 brought about significant amendments to the Criminal Code in this respect. ... In view of the ratification of the 1990 Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds of Crime, the Liechtenstein Government submitted to Parliament a draft law which will strengthen these provisions, inter alia, by deleting the existing threshold for confiscation and introducing possibilities of civil forfeiture.

Liechtenstein has been a party to the European Convention on Mutual Legal Assistance in Criminal Matters since 1970. This, in conjunction with the Law of 11 November 1992 on International Assistance in Criminal Matters, provides the basis for collaboration with foreign States in the area of criminal justice. ... The Liechtenstein Government has ... submitted to Parliament a bill on the revision of the Law. This revision will, inter alia, specifically provide for the enforcement of foreign confiscation decisions and the conclusion of sharing agreements.

The Liechtenstein Due Diligence Act entered into force on 1 January 1997, establishing reporting mechanisms on suspicious transactions. All financial intermediaries operating in Liechtenstein are subject to this Act. ... Based on practical experience with the law ..., the Liechtenstein Government has elaborated a bill on [its] amendment ... The planned amendments will, inter alia, considerably extend the reporting requirements and greatly enlarge the scope of the verification regime.

At the same time, the Liechtenstein Government takes the occasion of this far-reaching package of reforms in the regulatory system of the financial sector to redefine corruption offences under the Criminal Code, taking into account the development of legislation in neighbouring countries concerning the fight against corruption. ... It is foreseen that all the planned amendments to laws mentioned above will enter into force in the autumn of 2000.

Lithuania

Legislation in place or currently being worked on ... : the Law on Declaration of the Property and Income of Residents ... became effective on 1 January 1996. On 19 June 1997 the Siemas (Parliament) ... adopted the Law on Prevention of Money Laundering. The Law prescribes ... the State institutions responsible for the implementation of the measures of prevention of money-laundering. On 26 June 1997, the Seimas ... adopted the Law on the Accounting of the Lawful Acquisition of Personal Property for the Origin of Income. On 1 July 1997 the Seimas ... adopted the Law on Organized Crime Prevention. On 2 July 1997 the Seimas ... adopted the Law on the Adjustment of Public

and Private Interests in the Public Service; and on 22 May 1997 the Seimas ... adopted the Law on Operational Activities. On 15 January 1999 ... Resolution No. 62, "Organized Crime and Corruption Prevention Program", was approved. On 3 June 1999, the Seimas ... adopted the Law on Public Procurement, and on 17 June 1999, the Seimas ... adopted the Law on Public Administration. On 8 July 1999, the Seimas ... adopted the Law on Public Service; and on 22 May 2000, it ... adopted the Law on Special Investigations Service. The Draft Law on Lobbying Activities is already completed and will be submitted to the Seimas this year.

Ratification of relevant international instruments in the field of corruption:

(a) European Convention on Extradition (24) and Protocols;

(b) European Convention on Mutual Assistance in Criminal Matters (30) and Protocol;

(c) European Convention on International Validity of Criminal Judgements (70);

(d) European Convention on the Transfer of Proceedings in Criminal Matter (73);

(e) European Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime (141);

(f) United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (156).

Lithuania signed the Criminal Law Convention on Corruption (174) and in 1999 became member of GRECO.

Luxembourg

The corruption of public officials is already covered by the Penal Code and subject to penalties. Nevertheless, Luxembourg is going to expand the scope of the crime by adopting a draft law which is currently under examination by the Chamber of Deputies, following the approval of the OECD Convention ... [on Combating Bribery of Foreign Public Officials in International Business Transactions], and relating to embezzlement, destruction of documents and titles, misappropriation of public funds, illegal seizure of interests and corruption.

... Regarding the fight against money-laundering, Luxembourg has put in place, in accordance with 40 recommendations of GAFI, a mechanism for anti-laundering, including preventive and penal measures. The preventive measures were introduced by the Law of 5 February 1993 relating to the financial sector and were also expanded in 1998 and 1999 ... The penal measures regarding money-laundering of products originate from drug trafficking, organized crime, kidnapping of minors, proxenitism, corruption and infractions of the legislation on arms and ammunitions.

Mauritius

... In order to improve accountability and transparency as a tool to fight corruption, the entire population — the Government, private sector, media, general public and non-governmental organizations — adopted a National Action Plan in a coordinated effort to reduce corruption. ...

The objective of the plan is to reinforce legislation — namely, the Criminal Code (sections 125-132A) — which targets principally government officials receiving bribes in the performance of their functions. It will also ensure that other measures in line with our international obligations, such as the relevant United Nations resolution are implemented and the appropriate legislation introduced to prevent corruption in all sectors of civil society.

In that context, the Economic Crime and Anti-Money Laundering Act, which has just recently been passed in the Mauritius Parliament, adopts most of the Financial Action Task Force recommendations — namely:

(a) The criminalization of the strategy of money-laundering;

(b) A requirement on financial institutions to know their customers and to keep records of transactions;

(c) Powers to trace, freeze and confiscate criminal proceeds, keeping in mind the need to maintain an appropriate level of confidentiality to protect legitimate customer interest and to ensure confidence in the financial system;

(d) Effective mechanisms for international cooperation.

Furthermore, the Act provides that any money-laundering offence shall be considered to be an extradition crime for which extradition may be obtained under the Extradition Act.

The Public Integrity Bill is also about to be introduced in the Mauritius Parliament. The object of this Bill is to establish a Public Integrity Commission with four distinct functions — namely:

(a) Preventing corruption through the introduction of public measures;

(b) Prevention of corruption through advising public bodies of their practices and procedures from an anti-corruption viewpoint;

(c) Investigation of allegations of corruption;

(d) Monitoring government contracts through random checks and other measures.

The Public Procurement Transparency and Equity Act (not yet proclaimed) provides for the reform and modernization of public procurement ... and for the establishment of entities having responsibilities to procure goods, works and services. ...

... New provisions will be made in the Criminal Code to cater for bribery relating to government contracts, options or tenders and to provide for a wider definition of bribery.

Mexico

Mexico, within the framework of the OECD, ... signed the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. The Government submitted to the Parliament ... the addition of article 222 bis to the Federal Criminal Code (CPF), which typifies the crime of bribery mentioned above. This initiative was approved by Parliament and promulgated ... on 17 May 1999. ... The instrument of ratification signed by the President was deposited with the OECD in the context of the OECD Ministerial Meeting presided by Mexico on 26 May 1999. From 1 to 3 March 2000, Mexico was reviewed with respect to its compliance with the commitments of the Convention. The examiners were Spain and the Netherlands, and the results were satisfactory.

Mexico was unanimously accepted as a full member in the plenary session of the Group on International Financial Action Against Money Laundering (GAFI) of the OECD, 20-22 June 2000. This admission recognizes that Mexico has the necessary legal framework and the administrative instruments to comply with the 40 recommendations of the Group regarding money-laundering. Mexico still needs to adjust certain norms to comply fully with the commitments made with GAFI.

Within the framework of the Organization of American States (OAS), Mexico has participated actively in the fight against corruption.

Mexico subscribed to the Inter-American Convention against Corruption of 29 March 1996. The Senate approved it on 30 October 1996, and the instrument of ratification was deposited on 2 June 1997. The Convention promotes and strengthens regional cooperation and the mechanisms of individual member States ... It eliminates the need to conclude bilateral agreements on extradition, judicial assistance and cooperation regarding acts of corruption.

Mexico supports the Inter-American Cooperation Programme to Prevent and Combat Corruption, approved in 1997 by the General Assembly of the OAS, which requires for its implementation the development of actions in four areas: juridical, institutional, international and civil society.

Mexico cooperated in efforts to apply the Plan of Action of the First Summit of the Americas (Miami, 1994). The Plan develops a hemispherical focus on actions of corruption ... Within this framework, in 1998 an appropriate follow-up to the developments on the Inter-American Convention was programmed.

Mexico supports the decision of the Commission on Crime Prevention and Criminal Justice (Vienna, 18-20 April 2000) to promote the elaboration of an effective instrument against corruption as a broad international instrument independent of the United Nations Convention against Organized Transnational Crime and its Protocols.

Netherlands

The Netherlands has undertaken several measures in order to implement General Assembly resolution 53/176 ... and resolution 54/205 ... The Lower House of

Parliament agreed upon a number of treaties concerning the fight against fraud and corruption, on 29 June 2000. These are the OECD Convention ... on Combating Bribery of Foreign Public Officials in International Business Transactions and a number of European Union agreements: the Agreement of 26 July 2000; the Protocol of 26 September 1996 regarding the Protection of the Financial Interests of the European Union, and the Protocol of 29 November 1996 concerning the Prejudicial Specification of the Agreement of 26 July 1995. Consideration in the Upper House follows.

Adoption of these treaties makes revision of certain penalty clauses on crimes committed by officials necessary. The Lower House of Parliament has equally accepted a bill in this regard, which has been passed on the Upper House for discussion, together with the above-mentioned treaties.

In the international field, the Netherlands works together with other members of the Utstein Group (Germany, the Netherlands, Sweden and the United Kingdom) on reduction of the damaging effects of corruption on development. The intention is to support developing countries and economies in transition that are committed to preventive or remedial action. Furthermore, the Netherlands is one of the largest donors of the global CICP anti-corruption programme. Finally, the Netherlands is, together with the United States, responsible for the preparation of the Global Forum II meeting on fighting corruption which will be held in May 2001 in The Hague. In this connection, the Netherlands is one of the driving forces behind the preparation of (the building stones for) a comprehensive and universal anti-corruption convention.

Norway

The United Nations Declaration against Corruption in International Commercial Transactions is in line with the policy of Norway in the field of corruption. It has therefore not been considered necessary to implement new measures in order to follow the recommendations of the Declaration. However, the Declaration is being taken into account in the fight against corruption.

Norway is a party to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Upon its entering into force, the Norwegian Penal Code was amended to meet the requirements of the Convention ...

A rigorous process of multilateral surveillance has begun in April 1999 to monitor compliance with the Convention and assess steps taken by countries to implement it in national law. The Norwegian legislation was one of the firsts to be examined. Under the evaluation of Norway the Norwegian authorities were complimented for the quick ratification and implementation of the Convention into Norwegian legislation. Norway has established a committee to review the Penal Code, which will take into account the requirements of the Convention.

The European Council Criminal Law Convention on Corruption was opened for signature on 27 January 1999 and was signed by Norway on the same day. ... A proposal for ratification was presented to the Parliament in May 2000. The European Council Civil Law Convention on Corruption was opened for signature on 4 November 1999 and Norway signed it on the same day, but it is still not ratified.

... The battle against corruption was launched as a new offensive within the context of Norwegian international development cooperation in 1999. Six measures were identified to carry out this offensive:

(a) The Norwegian Agency for Development Cooperation (NORAD) will become an international front-line organization in the battle against corruption;

(b) Corruption will be put on the agenda in our dialogues with our partner countries;

(c) Norway will provide assistance to our partner countries in the battle against corruption;

(d) International efforts to combat corruption must be better coordinated, more systematic and more effective;

(e) Non-governmental organizations must be drawn into the battle against corruption;

(f) Sanctions will be imposed, if necessary.

... Norway provides financial support to UNDP activities related to good governance, including the programmes on good governance in Africa. The request for capacity-building and training on these issues has increased ... Anti-corruption was among the issues discussed in the 1998 Africa Governance Forum.

... Norway participates actively in the work under the OSCE Stability Pact on South-east Europe, including, among others, an anti-corruption initiative based on a concrete action plan.

... Norway established in 1997 a Trust Fund for Anti-corruption and Good Governance Activities with the World Bank. This has contributed to anti-corruption programmes being established in more than 20 countries.

... Norway also intends to participate in the negotiations on a global convention on combating corruption.

... A central objective in bilateral relations is to assist our partner countries in fighting and preventing corruption ... Corruption issues are dealt with at all levels in our relations with partner countries from the heads of States to the local (project) level.

The Norwegian Agency for Development Cooperation (NORAD) has been given a special mandate to deal with anti-corruption issues in Norway's bilateral assistance. NORAD launched in February 2000 a Good Governance and Anti-corruption Action Plan for 2000-2001.

Pakistan

The first step taken by the Government of Pakistan in fighting corruption was the promulgation of the National Accountability Bureau (NAB) Ordinance. ... The Ordinance is in addition to, and overrides, laws already existing to curb corruption ...The Ordinance specifically aims at providing effective measures for the detention, investigation, prosecution and speedy disposal of cases involving, inter alia, corruption, corrupt practices and misuse/abuse of power, and misappropriation of property.

... A major factor in the commission of corrupt practices was the role played by the public sector banks. To effectively check and address this issue, it was found necessary to criminalize the offence of "wilful default" in repayment of outstanding dues to financial institutions. This has proved to be particularly effective.

Keeping in view the professional and financial constraints of the existing investigating agencies ... the National Accountability Bureau (NAB) has managed to achieve a reputation for swift and effective disposal of allegations of corruption, in particular of those persons who have held high office.

Special Accountability Courts have been established at all the provincial headquarters to expedite the prosecution and speedy disposal of cases involving corruption and corrupt practices. ...

The efforts being made by the Government of Pakistan need to be complemented by more resolute action by the international community in three key areas: programmes to strengthen national institutional capacities for addressing corrupt practices; devising ways and means to repatriate illegally transferred funds to their countries of origin; and repatriation and/or prosecution of people indicted for corrupt practices in their home countries who are residing elsewhere.

Panama

The Criminal Code regulates corruption of public servants in chapter III, book II, including unjust enrichment.

The Directorate of Patrimonial Responsibility in the General Controller's Office of the Republic was created by Cabinet Decree No. 36 of 10 February 1990, to investigate and sanction patrimonial damages to the State by its agents and employees.

The Directorate General Against Corruption was created in the Ministry of Economy and Finances by Executive Decree No. 99 of 13 September 1999.

By Law No. 42 of 1 July 1999, Panama ratified the Inter-American Convention Against Corruption, signed in Caracas, Venezuela, on 29 March 1996.

The Law 59 of 29 December 1999 regulates article 299 of the Constitution and adopts other provisions against corruption.

By Decree No. 57 of 23 February of 2000, the General Controller's Office created General Directorates for Auditing the Panama Canal Authority, the Environmental Management and the Patrimonial Assets, with a view to modernizing its functions and combating corruption.

The General Controller's Office elaborated a draft law on administrative responsibility and it is permanently putting special emphasis on the tasks of supervision and auditing; revision of procedures on

State transactions (purchases, contracts, etc.), as well as on programmes for anti-corruption education.

Since 1995, the National Directorate for Special Investigations operates within the General Controller's Office with the purpose of receiving and processing denunciations of irregularities in the management of public funds and assets.

At the same time, the Banks Superintendence is part of the commission which currently elaborates a draft law to expand the scope of the criminalization of money-laundering, with a view to include in this crime the hiding of the illegal origin and/or the use of funds from crimes other than drug trafficking. The related crimes that will be included in the new draft proposal on money-laundering are, effectively, corruption, bribing and the like, among others.

Paraguay

Law No. 977/96 to ratify the Inter-American Convention against Corruption and Law No. 105/96 to Prevent and Suppress Illicit Acts Aimed at Legitimating Money and Property. Both laws are part of the national legal system and have been adopted with the purpose of combating corruption and certain international illicit practices.

Republic of Korea

After its accession to the OECD in December 1996, the Republic of Korea was formally invited to attend the OECD Working Group on Bribery and actively participated in the discussion on the revision of the OECD Council Recommendations on Combating Bribery of Foreign Public Officials in International Business Transactions ... The Republic of Korea became one of the original signatories of the [OECD] Convention [on Combating Bribery of Foreign Public Officials in International Business Transactions]. The Government submitted ... a bill to ratify the Convention ... in October 1998, along with its implementing legislation, the draft Act on Preventing Bribery of Foreign Public Officials in International Business Transactions. Upon approval by the National Assembly, the Government deposited its instrument of ratification on 4 January 1999 and the implementing legislation went into effect on 15 February 1999, at the same time as the entry into force of the OECD Convention.

The OECD Group on Bribery examined the Republic of Korea's implementing legislation at the meeting in July 1999. After mutual evaluation, the Working Group concluded that the Act generally conforms to the requirements of the Convention.

Romania

In 1996, ... the National Council of Action against Corruption and Organized Crime was created to coordinate measures taken by different State institutions to combat [corruption].

The Law on the Prevention and Penalization of Corruption ... was adopted by the Parliament under No. 87 of 2000. Also in force is Law No. 21 of 1999 on the Prevention and Condemnation of Money Laundering, pursuant to which the regulations on the organization and functioning of a national office for the prevention and combating of money-laundering were adopted.

The institutional level has been reinforced by the introduction of structures in the framework of various authorities specialized in combating organized crime and corruption. ...

In the context of its process of legislative reform, Romania attributes prime importance to the assimilation of instruments of international law. As a member of the Council of Europe and as a country associated with, and in via of adhesion to, the European Union, Romania has already ratified important European Conventions on penal matters ...

Other important international instruments in this area that have been signed by Romania are in different stages of ratification — namely:

(a) The Convention concerning Laundering, Search, Seizure and Confiscation of Proceeds from Crime;

(b) The Criminal Law Convention on Corruption;

(c) The Civil Law Convention on Corruption;

(d) The Convention on the Protection of the Environment by Criminal Law.

Romania participates in the mechanism of surveillance established by the Council of Europe in

the framework of GRECO, authorized by resolution No. 98/7 of the Committee of Ministers, on 5 May 1998.

... Romania participates with interest in the elaboration of a new convention against transnational organized crime. ...

Romania is also an active promoter in the framework of regional cooperation. It takes part in various organizations such as the Organization for Economic Cooperation in the Black Sea, the Central European Initiative, the Initiative for South-eastern European Cooperation. Bucharest is the site of the Regional Centre for Combating Transnational Crime.

Recently Romania has expressed interest in participating in the actions of the Initiative Anti-Corruption, established in the framework of the Stability Pact ... On 9 March 1999 the Minister of Justice expressed to the Secretary-General of OECD the intention of Romania to participate fully in the Working Group on Corruption in International Commercial Transactions, with a view to participate in the Convention elaborated by that Organization.

Russian Federation

The Russian Federation highly appreciates efforts by the United Nations aimed at combating corruption and bribery of public officials, including, inter alia, while carrying out international commercial transactions. Against the backdrop of the political and economic significance of this issue, as well as its importance for the activation of the fight against crime, the Government has sent a letter with a request that the Russian Federation be included as a full-fledged member in the Working Group of the OECD on Bribery in International Commercial Transactions, having in mind its eventual accession to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. ... The Russian Federation has made known its intention to ... also take the necessary steps with a view to introducing into Russian legislation criminal responsibility for an international offer, promise or handing over of illicit payments to a foreign public official. The Russian Federation's accession to the Convention will therefore constitute a major step in the fight against crime, including corruption, as well as have a favourable international resonance.

San Marino

The Government of San Marino has not adopted specific measures to give effect to General Assembly resolutions 53/176 ... and 54/205 ..., but it is nevertheless very concerned with the problem. The Criminal Code of San Marino contains various articles that deal directly or indirectly with certain matters raised in the resolutions, in particular:

(a) Article 204 (Fraud);

(b) Various articles in chapter IV, entitled "Crimes committed by public officials against the public administration": article 371 (Misappropriations committed by a public official), article 372 (Collusion), article 373 (Corruption), article 374 (Acceptance of retribution for an action already done), article 375 (Conflict of interest), article 376 (Abuse of authority), article 377 (Revelation of official secrets), article 378 (Omission of actions relevant to the public duty), article 380 (Refusal of services);

(c) Article 389 (Tax evasion).

The Parliament approved, on 15 December 1998, the Law No. 123/98 Against Money Laundering and Usury. Also San Marino participates in the work of the Expert Group of the Council of Europe whose task is to study measures to combat money-laundering.

Slovenia

In 1999, Slovenia carried out partial reform of its penal system, the objective of which was also harmonization with international instruments in the field of the repression of corruption, notably with the United Nations Declaration against Corruption and Bribery in International Commercial Transactions.

... In the new Liability of Legal Persons for Criminal Offences Act, Slovenia has for the first time defined the responsibility of legal persons for criminal offences of corruption perpetrated by their employees.

In the Criminal Procedure Act, Slovenia has regulated the possibility of the use of special investigation measures (telephone bugging, bugging the premises, control of letters and other parcels, control of computer systems of financial subjects, fake bribery) in detection and repression of corruption, and introduced the possibility of confiscation of money or property originating from criminal offences of

corruption or money-laundering, under special conditions, also in cases when the criminal procedure does not end in the judgement of conviction. Moreover, Slovenia has considerably facilitated the conditions for international legal assistance in the field of corruption.

In February 2000 Slovenia ratified the Council of Europe Criminal Law Convention on Corruption, while a year earlier it signed the corresponding agreement and started with active work in the Group of States [of the Council of Europe] Against Corruption (GRECO). At present, procedures are under way for the signing of the OECD Convention for Combating Bribery and Corruption of Foreign Officials in International Business Transactions, and Slovenia has already applied for membership in the corresponding OECD working group. Procedures for the signing of the Council of Europe Civil Law Convention on Corruption are under way as well.

Spain

At the end of 1997, Spain signed the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and the instruments of ratification were deposited at the end of 1999, after the necessary legal modifications in the Spanish Criminal Code were introduced.

The relevant OECD Committee has reviewed Spain's implementation of the Convention, which obtained a positive evaluation, albeit with some criticism, especially with regard to the complexity of the criminal norms on this matter, in spite of the reforms effectuated prior to the ratification. For this reason, a new modification of the Penal Code will be carried out to simplify the existing norms.

Sweden

Since Sweden is party to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, our regulations on bribery have been changed to conform to that Convention. The instrument of ratification was deposited with the OECD on 8 June 1999. The implementing legislation entered into force on 1 July 1999. ...

Also in the OECD, Sweden strongly advocated a substantial work programme for the working group on bribery, including if possible strengthening of disciplines with regard to bribery in relation to money-laundering.

Sweden has implemented the European Union instruments and signed the Council of Europe's conventions against corruption affecting both criminal and civil law. Ratification of the conventions is being prepared.

On money-laundering, Sweden participates actively in the OECD Financial Action Task Force on Money Laundering, which has set up 40 recommendations against money-laundering. Sweden wants to maintain the fast pace of the Task Force's work; put political pressure on countries and territories that are safe havens for money-laundering; and review the Task Force's recommendations, primarily to strengthen them with regard to company law.

In general, good governance and the fight against corruption are high on the Swedish agenda, and Sweden actively supports a global United Nations convention against corruption. This may translate into Swedish contributions to UNCTAD projects on good governance issues and in particular the struggle against corruption.

Switzerland

Measures at the international level in the context of development aid ... Switzerland introduced in 1996 a recommendation adopted by the Development Aid Committee (CAD) of the OECD relating to the introduction of an anti-corruption clause in agreements and contracts relating to development aid. Since then, the clause has been part of the standard clauses found in all contracts and intergovernmental agreements relating to development aid. During the current year, the CAD will review its first conclusions. In 1998, Switzerland adopted general guidelines on the fight against corruption applicable to its policy of cooperation for development as a whole. They aim at improving the management of funds for cooperation and introducing common actions with the beneficiary countries. It has financed conceptual works and applied studies by universities and international organizations which help improve the understanding of the interrelations, mechanisms and consequences of corruption; provided annual contributions to Transparency International; provided partial financing

of the national association Transparency/Switzerland; and provided financial support to international conferences dealing with corruption (Lima, 1997, and Durban, 1999).

Switzerland signed the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. It was ratified in May 2000. As for measures at the national level: up to now, the adaptations in the Swiss legislation are focused on the public sector.

Thailand

In terms of legislative actions, the progress to date is as follows:

Prevention and elimination of corruption

In 1999, the Office of the National Counter-Corruption Commission, the main authority responsible for the prevention and elimination of corruption, implemented several counter-corruption legislative measures such as the Organic Law on Counter-Corruption, the Organic Law on Criminal Procedure for Persons Holding Political Position and the Act on Offences of Corruption Bidding. ... Several other laws are awaiting consideration and approval and are expected to be finalized in the year 2000, such as the law to increase fairness and transparency in the promotion process of high-level government officials and the codes of conduct for government officials' receipt of assets and other benefits.

Illegal international financial transactions and money-laundering

Developments in advanced telecommunications systems and computer equipment has increased the convenience in international financial transactions, such as electronic banking, and this increases the difficulty in detecting illegal financial transactions and money-laundering activities by executives of financial institutions. To cope with this problem ... in August 1999, the Thai Government enacted the Money Laundering Control Act as a means of prosecuting predicate offences and offences of money-laundering. The Anti-Money Laundering Office is responsible for the ... implementation of this Act. In addition, the Bank of Thailand is in the process of drafting a new Financial Institutions Law, which includes clauses to prosecute illegal financial activities performed through computer.

Drug trafficking

In the year 2000, the Thai Government has enacted laws that seek to increase the efficiency and scope of the Thai authorities in dealing with drugs: the revised Act on Measures for the Suppression of Offenders in an Offence relating to Narcotics, and the Narcotics Control Act.

United Kingdom of Great Britain and Northern Ireland

The United Kingdom has ratified the Convention on the Fight Against Corruption Involving Officials of the European Communities or Officials of Member States of the European Union. Ratification of the Convention and its (three) associated Protocols was carried out at the same time, including the First (Corruption) Protocol to the Convention on the Protection of the European Communities' Financial Interests. The United Kingdom signed the Council of Europe Criminal Law Convention on Corruption in January 1999; no decision has yet been taken on ratification. ... The United Kingdom ratified the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions in December 1999.

III. International organizations and groups of countries

African Development Bank

The Bank has for some time supported activities to promote and improve governance, including combating corruption. It has done so through structural adjustment programmes that aim, among other things, at restructuring the civil service, reforming the legal and judicial systems, and strengthening financial management capacity.

Governance issues are some of the criteria that are taken into account in assessing country performance for the purpose of allocating Bank Group resources. ... Additional considerations include a country's commitment to sound management of public

expenditure programmes, greater accountability, and improvement of the legal and regulatory environment. ...

In order further to strengthen its operations, the Bank's procurement policies and procedures have been revised with effect from January 1997. ... Causes have been introduced to render the policy documents more effective in the detention, deterrence and control of fraud and corruption. As a result, the Bank can now cancel part of a loan or all of the loan if corruption is proven, and any firm proven to be involved in fraud or corruption practices can be sanctioned by having its participation in Bank-funded projects prohibited for a period of time decided by the Bank. These clauses have been incorporated into the Bank's standard bidding documents for use by borrowers. Over the past two years, about 30 tendering processes have been cancelled by the Bank, and in all these cases the borrowers concerned have been required to re-tender. ... The Bank will continue to support programmes and policies aimed at the detention and deterrence of fraud and corruption through reform and promotion of transparency and accountability in the overall management of public resources.

European Free Trade Association (EFTA)

The implementation of [General Assembly] resolutions [53/176 and 54/205] falls within the competence of the EFTA member States. EFTA as an organization is committed to promoting free trade and is not actively involved in any concrete action to combat corruption and bribery or other illegal practices. Nevertheless, the EFTA secretariat holds the view that by promoting trade based on multilaterally recognized trading disciplines and principles such as transparency, non-discrimination and respect of the rule of law, the Association indirectly also contributes towards the same objective.

International Monetary Fund (IMF)

The International Monetary Fund's Executive Board has adopted a specific policy on governance which can be found on its web site at http://www.imf.org/external/pubs/ft/exrp/govern/govindex.htm. While the Fund's Board does not have a specific policy with respect to money-laundering, ... the Fund has recognized that the implications of corruption and money-laundering raise important issues for the credibility and effectiveness of the IMF programmes and considers these matters in the context of article IV on consultations, access to Fund resources, and technical assistance. The Fund supports strong internal financial controls, supervision and regulation of domestic financial institutions and offshore banking centres, which include measures to deter money-laundering. In addition, the Fund is continuing to review its own procedures to identify ways in which it can play a positive role in reducing the adverse effects of corruption and money-laundering, especially with respect to strengthening safeguards on the use of its funds.

The Fund's work on the fight against corruption and bribery have two major components. First, the Fund staff has undertaken a number of research projects, which have sought to identify the causes and the economic consequences of corruption, especially in the form of money-laundering and illegal transfers. ... Secondly, the Fund has developed various codes of good conduct and has called for their adoption by member countries. The codes include the Code of Good Practices on Fiscal Transparency and the Code of Good Practices on Transparency in Monetary and Financial Matters. The Fund has also been involved through its work on financial sectors in efforts to assess compliance with the Basel Core Principles of Effective Banking Supervision. Implementation of and experience with the relevant codes is often discussed as part of the Fund's annual surveillance exercise with each member country. ... In general, when effectively implemented, the various codes curb the potential for corruption.

International Trade Centre (ITC)

[General Assembly] resolutions [53/176 and 54/205] fall outside ITC's mandate. However, ... ITC implements a programme for capacity-building in international purchasing and supply management which involves, inter alia, technical assistance in public procurement. At the request of developing countries and economies in transition, and subject to funding, ITC provides assistance in developing more efficient and transparent public procurement systems. ITC's recent activities at the regional level included two

conferences in public procurement reform (for African countries in December 1998, and for Maghreb countries in February 2000) which outlined initiatives relating to transparency and the fight against corruption.

Latin American Integration Association (ALADI)

To date, two additional Protocols have been signed relating to the prevention and fight against illicit customs transactions namely:

(a) Twenty-first Protocol annexed to the Agreement of Partial Scope on Economic Complementation No. 18 (AAP.CE 18.21), signed between the Governments of Argentina, Brazil, Paraguay and Uruguay, on 5 March 1998;

(b) Twenty-third Protocol annexed to the Agreement on Economic Complementation No. 35, signed between the Governments of the member States of MERCOSUR and of Chile, on 14 December 1999.

Organisation for Economic Cooperation and Development (OECD)

In recent years, the issue of corruption has risen to high priority among OECD member Governments, both in their relations with each other and with non-members. ... The fulcrum of the OECD anti-corruption effort is the Convention on Combating Bribery of Foreign Officials in International Business Transactions. Agreed in 1997, it came into force in February 1999 in all 29 OECD countries and in five non-members. It is open to accession by all others. ...

The Convention provides a clear definition of bribery, requires countries to pass legislation to make such bribery a criminal offence, and provides for mutual legal assistance. Also it encourages coordination between signatories through the OECD Working Group on Bribery ... and calls on them to carry out a programme to monitor and fully implement the Convention.

The Convention is reinforced by the 1997 Revised Recommendation of the OECD Council, ... including the following measures:

(a) In public procurement through international transactions, companies should be required to maintain adequate accounting records, adopt internal controls, and undergo external audits;

(b) The Revised Recommendation urges prompt implementation of the 1996 Recommendation on Tax Deductibility of Bribes to Foreign Officials. This calls for countries to disallow such deductibility. ... ;

(c) It restates an earlier Recommendation to Combat Corruption in Aid-Funded Procurement, which calls on countries to require anti-corruption provisions in bilateral aid-funded procurement.

... As part of the implementation of the OECD Council Recommendation on Improving Ethical Conduct in the Public Service (1998), the Organization's Public Management Service launched a survey in the summer of 1999 on managing ethics in the public service of its member countries.

... The OECD also assists the Governments of 13 Central and Eastern European countries to improve governance through the SIGMA Programme. ...

... The Development Assistance Committee (DAC) adopted a Recommendation in 1996 to tackle corruption related to the procurement of goods and services funded by official development assistance. All DAC members subsequently introduced or strengthened measures in this connection. ...

... OECD is currently revising the 1976 Guidelines for Multinational Enterprises, ... including those in the area of integrity.

... The OECD Principles of Corporate Governance ... include provisions for improving accounting and transparency, so as to encourage integrity. ...

... The OECD Secretary-General recently stated publicly that the Bribery Convention (now limited to Governments) might be expanded to include bribery in the private sector.

... The OECD work on taxation helps combat corruption, especially the work on tax havens and on the appropriate rules for apportioning income among countries in intercorporate transfer pricing.

... The OECD Development Centre ... recently completed political/economic analyses of corruption in Benin, Bolivia, Morocco, Pakistan and the Philippines.

... The Financial Action Task Force on Money Laundering ... is directly concerned with corruption that may be hidden through money-laundering operations.

... To contribute to the implementation of the Anti-Corruption Compact for South-eastern Europe (SEE), OECD was invited to act as the Secretariat of the Stability Pact Anti-Corruption Initiative ...

... The Anti-Corruption Network for Transition Economies ... was launched in October 1998, as a forum for governmental, private sector, and international organizations and non-governmental organizations working in Eastern Europe and the former Soviet Union.

United Nations Secretariat, Department of Economic and Social Affairs

In the Department of Economic and Social Affairs, the Division for Public Economics and Public Administration has been fulfilling paragraph 5 of General Assembly 53/176 ... under its mandate to assist member States in strengthening their public administration and finance, which includes promoting accountability, transparency, professionalism and ethics to counter and prevent corruption. ...

Among its main activities in this area are two major initiatives in Africa:

(a) A regional public service charter and code of conduct ... The draft charter and code will be submitted to the Third Pan-African Conference of Civil Service Ministers for adoption. Once adopted, the charter and code will serve as a reference tool for the countries in introducing or improving their public service charters and codes. These activities should assist in setting standards and implementing them to prevent public officials from soliciting bribes and engaging in other forms of corruption;

(b) A comparative Study on Public Service Ethics in Africa, sponsored by UNDP Africa, ... focuses on Cameroon, Gabon, Ghana, Kenya, Madagascar, Namibia, Nigeria, Senegal, South Africa and Uganda. ... The study also assists Governments, their development partners, and the general public to identify priority anti-corruption areas for intervention and financing. ... A final report will be made available in electronic, user-friendly format on an Internet site for wide and easy dissemination. In addition, a comprehensive database of raw data will be available upon request. At the national level, country reports will also be circulated to contribute to any ongoing anti-corruption policy dialogues that takes place.

United Nations Development Programme (UNDP)

UNDP addressed the issue of corruption as a problem of good governance in response to General Assembly resolution 51/59, adopted on 28 January 1997. Since then, minimizing corruption has been considered critical in achieving UNDP's overall goal of poverty alleviation and promoting social and people-centred sustainable development ...

In its lead role in the aid coordination processes, UNDP advocates its approaches, shapes policy and helps mobilize resources for national programmes that improve integrity in governance. UNDP's approach is flexible and carefully considers different country needs and priorities and ensures that responsibilities are clearly defined.

At the global level, the Management Development and Governance Division spearheads UNDP's anti-corruption efforts ... under the Programme for Accountability and Transparency (PACT). PACT aims to build and strengthen capacities to improve accountability and transparency through two main components: financial management and accountability systems; and integrity improvement (anti-corruption) initiatives. The [latter] focuses on three critical areas — facilitating coordination and dialogue, building partnerships, and strengthening capacities at the national level — to develop comprehensive anti-corruption strategies.

... One of the major components of UNDP's support for the fight against corruption in the past year has been its substantial contribution to the organization and conduct of the ninth International Anti-Corruption Conference held in Durban, South Africa, in October 1999. One of the concrete results from the Conference was the promulgation, by the 1,500 or so participants, of the Durban Commitment which identified specific action by key sectors in the fight against corruption. In the areas of corrupt practices and the illegal transfer of funds, actions by the international banking community

in the control of money-laundering and the consequent facilitation of repatriation of funds were cited as key areas for follow-up. The relevant text from the Durban Commitment is quoted below:

Banking community

We will encourage members of the banking community and others to create responses (including enforceable international obligations) which will record transactions effectively, curb the levels of money-laundering and which will facilitate the return to developing countries of moneys looted by their leaders. We find it wholly unacceptable that the moneys should be invested in institutions in the developed world for the benefit of a corrupt few when they are desperately needed by their rightful owners in the South for the benefit of all.

The World Bank

The Bank is committed to addressing the problem of corruption, both as a development issue in our client countries and from a fiduciary standpoint in Bank-financed projects. ...

... The Bank's long-standing efforts to build a framework of integrity around its operations reached a watershed in September 1997, when the Bank's Board of Executive Directors endorsed an anti-corruption strategy that lays out action in four key areas:

(a) The Bank will make every effort to prevent fraud and corruption in the projects and programmes it finances;

(b) The Bank will assist countries that ask for help in curbing corruption;

(c) The Bank will mainstream its concern for corruption directly into its country analysis and lending decisions;

(d) The Bank will contribute to international efforts to fight corruption.

... To bolster its efforts, the Bank developed a broad Anti-corruption Action Plan in [fiscal year] FY99 ... The Anti-corruption Action Plan for FY2000 ... calls for further broadening and deepening of the approach initiated in 1997 and a heightened focus on implementation and on-the-ground results. ...

Minimizing fraud and corruption in Bank-supported projects

In order to strengthen its overall control capacity, in 1997 the Bank adopted the framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), a state-of-the-art approach to internal controls now used widely by leading financial institutions. Also in 1997, the Bank evaluated its fiduciary controls of Bank-financed projects and identified the need to strengthen its ability to supervise the fiduciary aspects of Bank loans ... As part of the loan approval process, the Bank has:

(a) Improved and tightened the way it assesses borrower procurement and financial management capacity and corruption risks;

(b) Intensified supervision of smaller procurement contracts through special ex-post audits conducted by specialized firms on behalf of the Bank. Twenty-six specialized audits were completed resulting in 22 instances of misprocurement with a total contract value of $37 million;

(c) Added new anti-corruption provisions to the procurement guidelines;

(d) Significantly increased the number of financial management and procurement staff ...

... To help compensate for the increased risks from the changing nature of Bank-financed projects, the Bank has strengthened its financial management of Bank-financed projects ...

... In May 1998 an oversight Committee on Fraud and Corruption was established, with responsibility for investigating allegations of corruption involving Bank staff within the Bank or in connection with Bank-financed contracts. ...

Helping countries that request assistance

... Recent projects aimed at addressing corruption concerns have included, for example, support to tax administration in Latvia and Thailand; judicial reform in Albania, Guatemala and Morocco; administrative and civil service reform in Bolivia, Ghana, Latvia, and the United Republic of Tanzania, and regulatory reform in Georgia.

... Many countries — including Albania, Benin, Bolivia, Bosnia, Colombia, Ecuador, Ethiopia, Georgia, Guatemala, Indonesia, Latvia, Morocco, Nicaragua,

Paraguay, Philippines, Slovakia, United Republic of Tanzania, Thailand, Uganda, and Yemen — have come to the Bank with explicit requests for assistance.

... To help build commitment among its borrowers, the Bank's in-country operational work often starts with in-depth empirical survey work to help diagnose the extent and nature of the problems and raise public awareness. For example, a recent study of the ECA region, "Anti-corruption in transition: Unbunding the problem of State capture", provides in-depth empirical analysis of corruption patterns, based on firm-level surveys, and suggests various approaches to reform, depending on a country's particular situation ... bringing together public officials (including parliamentarians), the private sector, and civil society to develop anti-corruption strategies. ...

... Knowledge-sharing is another vital component of the Bank's assistance to countries in fighting corruption. By conducting seminars in more than 35 countries, the World Bank Institute (WBI) has been helping expand participatory dialogue among all segments of society, including parliamentarians, government officials, judges, auditors general, the media, and local non-governmental organizations. WBI has also conducted more than 40 training courses and workshops in investigative journalism and parliamentary oversight ... Particularly noteworthy is the innovative "core course" in controlling corruption that was piloted in FY99 with officials and representatives from seven African countries. Using traditional and distance-learning techniques, this course resulted in the development or revision of national anti-corruption strategies in the countries concerned. Building on this success, the core course will be replicated in Latin America and Francophone Africa in FY01. ... The Bank shares its knowledge with other partners through an external anti-corruption web site; by partnering with international organizations such as the OECD, UNDP, the Regional Multilateral Development Banks, and the Commonwealth Parliamentary Association; by sharing information and ideas with non-governmental organizations such as Transparency International ...

Mainstream corruption considerations into the Bank's operational work

... The Bank now explicitly considers in its lending decisions the extent to which the quality of governance and the magnitude of corruption affect a borrowing country's economy. ... The Bank Development Research Group has devoted significant resources to research on corruption issues and has added to a growing body of analytical work worldwide that clearly shows the strong links between governance and poverty. ...

Supporting international efforts to address corruption

There is now much better coordination among the international financial institutions and more sharing of information on all aspects of corruption. For example, the five largest multilateral development banks have established a joint working group to help coordinate policies and share information. ... Finally, the Bank has observer status on the International Group of Experts on Corruption which Interpol organizes to assess linkages between corruption, money-laundering, and crime. ... The Bank also works closely with a number of non-governmental organizations ... to develop a better understanding of how corruption undermines development and to improve its strategy of fighting corruption at its source.

The progress which the Bank has made since 1997 on anti-corruption and governance was recently summarized in a report entitled *Helping Countries Combat Corruption: Progress at the World Bank Since 1997*, which is scheduled for publication in August 2000. ...

World Customs Organization (WCO)

The WCO Council adopted the Declaration on Integrity in Customs at its annual session held in Arusha, United Republic of Tanzania, in June 1993. The Declaration contains 12 concrete recommendations for use by customs administrations in order to improve their integrity.

WCO hosted the open international Forum on Integrity in Customs in April 1998. ... The Forum made a series of recommendations to the WCO Council on possible future actions. Based on [these] recommendations ... the WCO Council established an Integrity Working Group in June 1998 with the task of developing a draft for a WCO Integrity Action Plan. The Group ... fulfilled its mandate. It is now suggested that the Council establish a WCO integrity

subcommittee supervised by the Permanent Technical Committee.

The WCO Council adopted the WCO Integrity Action Plan in June 1999. The Action Plan envisaged, among other things, plans to:

(a) Study and analyse existing models and best practices;

(b) Develop study papers on the measurement of customs efficiency and performance in the area of integrity, through self and mutual assessment;

(c) Strengthen the focus on integrity on WCO products and technical assistance programmes;

(d) Help members to develop their own integrity strategies;

(e) Work through the WCO regional structures and cooperate with the business.

At its last session, in March 2000, the WCO Integrity Working Group adopted the Model Code of Ethics and Conduct, for use by the member customs administrations.

The WCO secretariat, in cooperation with members, has developed the content of a standard customs integrity workshop. The main objective of the workshop is to assist members in the development of ... a national customs integrity action plan. Since December 1998 the workshop has been implemented in the Czech Republic, India, Sri Lanka, Viet Nam and Zambia. The workshop was conducted on a regional basis in eastern and southern Africa and in the Asia/Pacific regions of WCO.

World Trade Organization (WTO)

The overall function of WTO in establishing a rules-based trading system makes an important contribution to the fight against corruption and bribery. The system ... is predicated on the operation of the rule of law at the national level in respect of the conditions established for the conduct of international trade. For example, article X of the General Agreement on Tariffs and Trade (GATT) requires the prompt publication of all laws, regulations, judicial decisions and administrative rulings that pertain to international trade in such a manner as to enable Governments and traders to become acquainted with them ... Where trade measures entailing administrative discretion are allowed, considerable emphasis is placed on procedural safeguards and transparency, as, for example, in the Agreements on Import Licensing Procedures, Customs Valuation, Preshipment Inspection and the Agreements regulating the imposition of anti-dumping and countervailing duties. ...

Although there is no specific reference to corruption and bribery in the mandate of the Working Group on Transparency in Government Procurement, its work is generally considered to be relevant to the fight against corruption and bribery. ... Since its establishment, the Working Group has carried out an extensive study of transparency in government procurement. ... It has also debated and received proposals for the elements that might form part of a multilateral agreement in the area ...

A plurilateral Agreement on Government Procurement, which already exists with 26 members, is also relevant to the fight against bribery and corruption.

IV. Non-governmental organizations

International Association of European Average Adjusters (AIDE)

Continuous attention is given by the International Association of European Average Adjusters to action against corruption and bribery in international commercial transactions and to the prevention of corrupt practices and illegal transfer of funds. Indeed, the objects of AIDE, as defined in article 1 of its Statutes are: study and unification of the laws, rules, usages and customs of general average; the promotion of the profession; the keeping of good professional traditions.

Moreover, article 5 of AIDE's Statutes concerning the dismissal of members provides that, in the countries where there is a national association, the dismissal of members from that association results automatically in dismissal as members of the International Association. In the countries where legal provisions or regulations ordered by the competent authorities govern the practising of the profession, the withdrawal of the qualification decided by the competent authorities results automatically in dismissal as members of the International Association.

International Chamber of Commerce (ICC)

ICC's efforts to combat extortion and bribery in international business transactions began in 1975, the year in which the General Assembly condemned all corrupt practices, including bribery in international business transactions in its resolution 3514 (XXX). ...

... The Shawcross Committee issued a groundbreaking report in 1977, which called for complementary and mutually supportive action on three fronts: an international treaty to be drawn up by the United Nations, proposals for actions by national Governments, and rules of conduct to serve as a basis for corporate self-regulation. Subsequently, ... the Committee drafted ICC Rules of Conduct to Combat Extortion and Bribery in International Business Transactions. ... In 1996, following a wave of new scandals, an ICC special committee ... issued an update of the ICC report. Building on the 1977 version, it once again called for a combination of governmental and private action, with particular emphasis on cooperation with OECD. In 1999, the ICC Rules were revised to take account of a spate of international initiatives to fight corruption, most notably the 1997 OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

The new ICC rules go further than the OECD Convention ... The ICC Rules prohibit both extortion and bribery for any purpose. Indeed, they not only address the bribery of foreign officials but also of commercial "private-to-private" bribery. They urge Governments to regulate political contributions by enterprises and to ensure that they are publicly recorded. They place new emphasis on mechanisms within companies to enforce corporate codes of conduct. ...

To help companies translate the Rules into effective measures against bribery, in 1999 ICC produced *Fighting Bribery: A Corporate Practices Manual*.

In light of a wave of privatization in many parts of the world, including most recently in Africa, the ICC Standing Committee on Extortion and Bribery has undertaken a major study on commercial bribery. The overall objective is to find the right combination of corporate self-regulation, civil suits and criminal prosecution, as well as of national and international initiatives to combat corruption and bribery.

International Organization for Standardization (ISO)

International standards as a whole are used to set criteria for manufacturing, trade and public procurement. ISO has published, to date, more than 12,500 international standards in all fields used worldwide. More especially, ISO has published a Series of Quality Management Standards: ISO 9000, which are now applied in companies worldwide. The use of ISO standards for international commercial transactions can help to eliminate or reduce corruption and bribery, since they provide appropriate criteria for concluding contracts, exchange of goods and tendering and conformity assessment, for public procurement.

Since 1987, the ISO programme for developing countries and territories has been organizing awareness-raising, implementation seminars and auditor training seminars on standards, conformity assessment and quality management systems and ISO 9000. They have taken place in Argentina, Armenia, Barbados, Botswana, Brazil, Chile, China, Costa Rica, Cuba, Egypt, Ethiopia, Guinea, Ivory Coast, Jamaica, Jordan, Kenya, Lebanon, Malawi, Malaysia, Mozambique, Palestine, Saudi Arabia, Singapore, Syrian Arab Republic, United Republic of Tanzania, Thailand, Trinidad and Tobago, Tunisia, Uganda, Uruguay, Venezuela and Zimbabwe, with a total of some 4,000 participants.

International Ship Suppliers Association

As far as the International Ship Suppliers Association (ISSA) is concerned, all its members (currently 1,888 in 81 countries) are bound to comply with the ISSA Code of Ethics which properly addresses the concerns raised in the two General Assembly resolutions. ... The Code has been in effect since 1977.

Transparency International (TI)

Since the adoption of General Assembly resolutions 53/176 and 54/205, international efforts against corruption have gained momentum

considerably. The issue is now on the agenda of almost all intergovernmental organizations, be they regional institutions, multilateral financial institutions, or development oriented. ...

Transparency International has successfully fought the taboo that still surrounded corruption and has undertaken systematic lobbying efforts to ensure that international organizations understand and appreciate the importance of the corruption issue and integrate concrete anti-corruption action into their programmes.

At the same time, TI has undertaken a broad range of activities to sensitize the general public of the devastating effects of corruption and to call attention to the responsibility of Governments in both North and South to fight corruption more intensively. The publication of the *Corruption Perceptions Index* (http://www.transparency.org/documents/cpi/index.html) and of the *Bribe Payers Survey* (http://www.transparency.org/documents/cpi/bps.html) has been particularly useful, underscoring the fact that in all regions Governments and the private sector still need to intensify their efforts against corruption.

In particular, TI has lobbied for the swift and effective implementation of international agreements. Among them the following can be regarded as the most important and most tangible legal instruments in the fight against transnational corruption:

(a) The OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions;

(b) The Inter-American Convention Against Corruption of the OAS;

(c) The Council of Europe Civil and Criminal Law Conventions Against Corruption.

Considerable progress has been made since the first two Conventions were signed and opened for ratification. However, TI's network of national chapters — currently existing in more than 75 countries worldwide — is still urging the Governments of all OAS, OECD and Council of Europe member countries to ensure that the Conventions are duly implemented.

Throughout the member States of OECD, in particular, TI is working with the private sector to inform it about the provisions of the OECD Convention and to urge it to introduce corporate compliance programmes.

The ninth International Anti-Corruption Conference, held in Durban in October 1999, was a clear manifestation of the new international consensus that had emerged on many aspects of the fight against corruption. One of the key demands expressed by more than 1,400 participants from some 100 countries was the certainty that well-functioning international mechanisms would be established to ensure that illegally acquired funds could be retrieved and returned to their countries of origin. Taking up this demand, TI has secured the political support of the Commission of the European Union to adopt relevant measures in all EU member States.